2010 Human Development Report: 40-year Trends Analysis Shows Poor Countries Making Faster Development Gains

20th anniversary UNDP report finds long-term progress in health, education not determined by income; introduces new indices for gender, poverty, inequality

United Nations, 4 November 2010—Most developing countries made dramatic yet often underestimated progress in health, education and basic living standards in recent decades, with many of the poorest countries posting the greatest gains, reveals a detailed new analysis of long-term Human Development Index (HDI) trends in the 2010 *Human Development Report*, released here today.



Yet patterns of achievement vary greatly, with some countries losing ground since 1970, the 2010 *Human Development Report* shows. Introducing three new indices, the 20th anniversary edition of the Report documents wide inequalities within and among countries, deep disparities between women and men on a wide range of development indicators, and the prevalence of extreme multidimensional poverty in South Asia and sub-Saharan Africa.

The Human Development Reports, commissioned annually by the United Nations Development Programme (UNDP) since 1990, are editorially independent from UNDP.

The 2010 Report—The Real Wealth of Nations:

Pathways to Human Development—was launched today by Secretary-General Ban Ki-moon, UNDP Administrator Helen Clark and Nobel laureate Amartya Sen, who helped devise the HDI for the first *Human Development Report* in 1990 with the late economist Mahbub ul Haq, the series founder. The Human Development Reports and the HDI challenged purely economic measures of national achievement and helped lay the conceptual foundation for the UN's Millennium Development Goals, calling for consistent global tracking of progress in health, education and overall living standards.

"The *Human Development Reports* have changed the way we see the world," Ban Kimoon said today. "We have learned that while economic growth is very important, what ultimately matters is using national income to give all people a chance at a longer, healthier and more productive life."

The first *Human Development Report* introduced its pioneering HDI and analyzed previous decades of development indicators, concluding that "there is no automatic link between economic growth and human progress." The 2010 Report's rigorous review of longer-term trends—looking back at HDI indicators for most countries from 1970—



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Washington Ms. Sarah Jackson-Han Tel: +1 202 331 9130 Cell: +1 202 674 7442 sarah.jackson-han@undp.org shows there is no consistent correlation between national economic performance and achievement in the non-income HDI areas of health and education.

Helen Clark said, "the Report shows that people today are healthier, wealthier and better educated than before. While not all trends are positive, there is much that countries can do to improve people's lives, even in adverse conditions. This requires courageous local leadership as well as the continuing commitment of the international community."

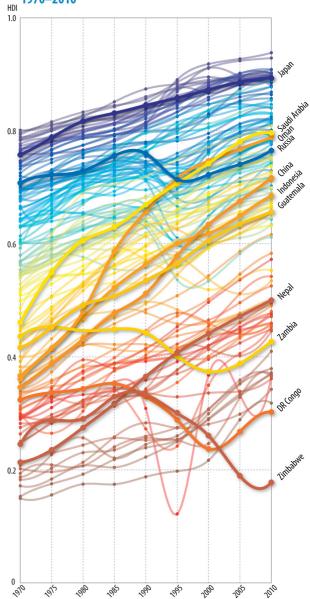
Overall, as shown in the Report's analysis of all countries for which complete HDI data are available for the past 40 years, life expectancy climbed from 59 years in 1970 to 70 in 2010, school enrolment rose from just 55 percent of all primary and secondary school-age children to 70 percent, and per capita GDP doubled to more than US\$10,000. People in all regions shared in this progress, though to varying degrees. Life expectancy, for example, rose by 18 years in the Arab states between 1970 and 2010, compared to eight years in sub-Saharan Africa. The 135 countries studied include 92 percent of the world's population.

"Our results confirm, with new data and analysis, two central contentions of the *Human Development Report* from the outset: human development is different from economic growth, and substantial achievements are possible even without fast growth," said Jeni Klugman, the lead author. "We also gained new insights about the countries that performed best, and the varying patterns of progress."

The "Top 10 Movers" highlighted in the 2010 Report—those countries among the 135 that improved most in HDI terms over the past 40 years—were led by Oman, which invested energy earnings over the decades in education and public health.

The other nine "Top Movers" are China, Nepal, Indonesia, Saudi Arabia, Laos, Tunisia, South Korea, Algeria and Morocco. Remarkably, China was the only country that made the "Top 10" list due solely to income performance; the main drivers of HDI achievement were in health and education. The next 10 leaders in HDI improvement over the past 40 years include several low-income but high HDI-achieving countries "not typically described as success stories," the Report notes, among them Ethiopia (#11), Cambodia (#15) and Benin (#18)—all of which made big gains in education and public health.

Within the pattern of overall global progress, the variation among countries is striking: Over the past 40 years, the lowestperforming 25 percent experienced less than a 20 percent improvement in HDI performance, while the top-performing group averaged gains of 54 percent. Yet as a group, the quartile of countries at the bottom of the HDI scale in 1970 improved Worldwide trends in the Human Development Index 1970–2010



World's "Top Movers" in HDI improvement: 1970-2010

	Improvements in		
Rank	HDI	Nonincome HDI	Income
1	Oman	Oman	China
2	China	Nepal	Botswana
3	Nepal	Saudi Arabia	South Korea
4	Indonesia	Libya	Hong Kong, China
5	Saudi Arabia	Algeria	Malaysia
6	Lao PDR	Tunisia	Indonesia
7	Tunisia	Iran	Malta
8	South Korea	Ethiopia	Viet Nam
9	Algeria	South Korea	Mauritius
10	Morocco	Indonesia	India

even faster than those then at the top, with an average gain of 61 percent. The diverse national pathways to

development documented in the Report show that there is no single formula for sustainable progress, the authors stress.

The region with the fastest HDI progress since 1970 was East Asia, led by China and Indonesia. The Arab countries also posted major gains, with 8 of the 20 world leaders in HDI improvement over the past 40 years. Many countries from sub-Saharan Africa and the former Soviet Union lagged behind, however, due to the impact of AIDS, conflict, economic upheaval and other factors. Life expectancy actually declined over the past 40 years in three countries of the former Soviet Union—Belarus, Ukraine and the Russian Federation—and six in sub-Saharan Africa: the Democratic Republic of the Congo, Lesotho, South Africa, Swaziland, Zambia and Zimbabwe.

The dominant trend in life expectancy globally is convergence, with average life spans in most poor countries getting increasingly close to those in developed countries. In income, though, the pattern remains one of divergence, with most rich countries getting steadily richer, while sustained growth eludes many poor countries.

"We see great advances, but changes over the past few decades have by no means been wholly positive," the authors write. "Some countries have suffered serious setbacks, particularly in health, sometimes erasing in a few years the gains accumulated over several decades. Economic growth has been extremely unequal, both in countries experiencing fast growth and in groups benefiting from national progress. And the gaps in human development across the world, while narrowing, remain huge."

2010 HDI plus new Indices for Inequality, Gender and Poverty

The Report this year includes new 2010 HDI rankings, with modifications to several key indicators. The top 10 countries in the 2010 HDI are Norway, Australia, New Zealand, the United States, Ireland, Lichtenstein, the Netherlands, Canada, Sweden and Germany. At the bottom of the 2010 HDI rankings of 169 countries are, in order: Mali, Burkina Faso, Liberia, Chad, Guinea-Bissau, Mozambique, Burundi, Niger, the Democratic Republic of the Congo and Zimbabwe.

Country ranking changes in the HDI are now reported over a five-year comparative period, rather than on a year-to-year basis, to better reflect long-term development trends. Due to methodological refinements of the HDI formula, the 2010 rankings are not directly comparable to those in earlier Reports.

The 2010 *Human Development Report* continues the HDI tradition of measurement innovation by introducing new indices that address crucial development factors not directly reflected in the HDI:

• The Inequality-adjusted Human Development Index (IHDI)

For the first time, this year's Report examines HDI data through the lens of inequality, adjusting HDI achievements to reflect disparities in income, health and education. "The HDI alone, as a composite of national averages, hides disparities within countries, so these adjustments for inequality provide a fuller picture of people's well-being," said Jeni Klugman.

• The Gender Inequality Index (GII)

The 2010 Report introduces a new measure of gender inequities, including maternal mortality rates and women's representation in parliaments. "The Gender Inequality Index is designed to measure the negative human development impact of deep social and economic disparities between men and women," said Klugman. The GII calculates national HDI losses from gender inequities, from the Netherlands (the most equal in GII terms) to Yemen (the least).

• The Multidimensional Poverty Index (MPI)

The Report features a new multidimensional poverty measure that complements income-based poverty assessments by looking at multiple factors at the household level, from basic living standards to access to schooling, clean water and health care. About 1.7 billion people—fully a third of the population in the

104 countries included in the MPI—are estimated to live in multidimensional poverty, more than the estimated 1.3 billion who live on \$1.25 a day or less.

The 2010 Report calls for further research and better data to assess challenges in other critical aspects of human development, including political empowerment and environmental sustainability.

To encourage continuing innovation for the 20th anniversary of the Report, the Human Development Report Office re-launched its website (http://hdr.undp.org) with extensive new resources, revised statistical country profiles for all UN member states and interactive tools, including a "build your own index" option for visitors.

Amartya Sen writes in his introduction to the new Report: "Twenty years after the appearance of the first *Human Development Report*, there is much to celebrate in what has been achieved. But we also have to be alive to ways and means of improving the assessment of old adversities and of recognizing—and responding to—new threats that endanger human well-being and freedom.

Regional Highlights from the 2010 Human Development Report

The long-term HDI analysis and new indices in the 2010 Report reveal significant achievements and challenges—and different development patterns—in each region of the developing world:

Arab States The Arab countries include five of the "Top 10 Movers" the countries (out of 135 surveyed) that showed the strongest performance in the HDI since 1970: Oman (#1), Saudi Arabia (#5), Tunisia (#7), Algeria (#9) and Morocco (#10). In the Gender Equality Index (GII), however, the Arab states showed an average regional HDI of 70 percent, well above the world average loss of 56 percent. Lowest ranking in the GII globally is Yemen, with an HDI loss of 85 percent.

Latin America and the Caribbean Income inequality in Latin America and the Caribbean remains the world's highest with the gap widening the most in Argentina, followed by Venezuela and Haiti. But inequality is narrowing in several countries, notably Brazil and Chile. Life expectancy climbed from 60 to 74 years in the region since 1970, reaching 79 in Chile, Costa Rica and Cuba. And school enrolment rose from 52 percent 40 years ago to 83 percent today—with several countries now approaching nearly full enrolment.

Sub-Saharan Africa Despite often severe adversities, many African countries have made often overlooked progress in recent decades. Ethiopia (#11), Botswana (#14), Benin (#18) and Burkina Faso (#25) are among the 25 "top movers" (out of 135 countries) in HDI terms since 1970, largely due to gains in education and public health. However, the Democratic Republic of the Congo, Zambia and Zimbabwe are the only countries with lower HDI values today than in 1970, due to the deadly combination of conflict and AIDS driving down life expectancy. Women's representation in parliaments is higher than in South Asia, the Arab states or Eastern Europe, though this achievement is undercut by gender disparities in education.

South Asia Nepal (#3), India (#16), Iran (#20), Pakistan (#25) and Bangladesh (#26) are world leaders in long-term HDI improvement since 1970. Yet South Asia is home to the largest population suffering from extreme poverty as measured by the new Multidimensional Poverty Index: 844 million people, compared to 458 million multidimensionally poor in sub-Saharan Africa.

East Asia and the Pacific Exceptional economic growth since 1970 drove a world-leading doubling of the region's average HDI value from 0.36 in 1970 to 0.71 in 2010, with five of the "Top 10 Movers" in global HDI improvement coming from this region: China (#2), Indonesia (#4), Laos (#6) and the Republic of Korea (#8). Rising income has been accompanied by growing income gaps, however, leading to a more than 20 percent loss to the region's HDI when adjusted for inequality.

Eastern Europe and Central Asia Eastern Europe and Central Asia are relatively egalitarian in all three dimensions of the Inequality-adjusted HDI, though with considerable regional diversity, the Report finds. In the region's major HDI reversal, life expectancy in three countries from the former Soviet Union— Belarus, the Russian Federation and Ukraine—has fallen below 1970 levels. For more information on the 20th anniversary *Human Development Report* and the complete press kit please visit: http://hdr.undp.org/

ABOUT THIS REPORT: Since its inception in 1990, the *Human Development Report* has provided fresh insights into some of the most pressing challenges facing humanity. The *Human Development Report* is an independent yearly publication of the United Nations Development Programme. Jeni Klugman is the lead author of the 2010 Report, which is translated into more than a dozen languages and launched in more than 100 countries annually. The Report is published in English by Palgrave Macmillan. Complete texts of the 2010 Report and all previous Reports since 1990 are available for free downloading in major UN languages on the Report website: http://hdr.undp.org/

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